

Joyce is the author of "Kids and Drugs," a 126-page handbook for parents and professionals that has been translated in part into Portuguese and Arabic. Other publications include "Schools and Drugs," a handbook for parents and educators, and "Preparing for Parenthood: A Lamaze Childbirth and Postpartum Guide."

After teaching childbirth preparation for four years, Joyce founded FLAME [Family Life and Maternity Education Inc.] in 1971, an organization which teaches the Lamaze method of childbirth.

Joyce Tobias is a remarkable woman whose contributions to her community and her country as a leader and volunteer have made a difference. I know my colleagues join in honoring this outstanding woman.

FORT EDWARD FIRE DEPARTMENT DEMONSTRATES TRUE AMERICAN INGENUITY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 1, 1995

Mr. SOLOMON. Mr. Speaker, I have always held a special place in my heart for volunteer fire companies and the invaluable service they provide the residents of small towns like those in my 22d Congressional District of New York. As a volunteer firefighter myself for 20 years, I understand the commitment necessary to fulfill such a role, regardless of the weather or the time of day. The members of the Fort Edward Fire Department have selflessly provided this vital service, and for that, we should all pay tribute.

However, Mr. Speaker, as if these people have not provided a great enough example of community service, the members of this fire department will unveil this Saturday, May 6, 1995, another accomplishment we would all do well to emulate. The Fort Edward Fire Department will be holding a ribbon cutting ceremony to commemorate the opening of their newly expanded and renovated fire station. This project, combining two separate branches of the fire department and providing much needed expansion and improvement of facilities, cost over \$400,000. However, the most notable accomplishment is that it will be financed without a single penny of public tax money. As we all strive to regain fiscal sanity in the public sector and encourage public service, the efforts of the volunteers who comprise the Fort Edward Fire Department are worthy of significant recognition. In a time where government spending and regulation seem to play a role in all aspects of American life, this achievement signifies an example of true American voluntarism and wherewithal which made our Nation the greatest in the world.

At the open house this Saturday, the fire company will be able to show off the improvements to the fine citizens of Fort Edward. They will exhibit the new rooms and offices they added to the station, the fine colors and carpeting they chose to decorate the hall where they will hold bingo nights, as well as other special events to help finance their project, and allow the children to climb all over the fire trucks in the expanded truck bays, all the while knowing they did so without spend-

ing any of the citizens hard-earned tax dollars. This is an accomplishment which we should all take comfort in commending. Therefore, Mr. Speaker, I ask that all my fellow Members rise with me and salute the achievements of the Fort Edward Volunteer Fire Department, they truly exemplify the spirit of community service all Americans should strive to achieve.

IF YOU HAVE A JOB, YOU AREN'T
CAUSING INFLATION—GUESS
WHO IS?

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 1, 1995

Mr. CRANE. Mr. Speaker, the Orlando Sentinel recently featured an article which destroys numerous myths pertaining to inflation.

Mr. Charley Reese, author of the article, highlights congressional responsibility for inflation. He goes on to argue that economic progress has been hampered by inflation stemming from actions of the Federal Government and Federal Reserve System.

I commend to the attention of my colleagues "If you have a job, you aren't causing inflation—guess who is?"

IF YOU HAVE A JOB, YOU AREN'T CAUSING
INFLATION—GUESS WHO IS?

(By Charley Reese)

There's a big con game going on. The con is that politicians in both parties and the bankers talk about problems caused by inflation without mentioning that they cause it.

To hear the central bank talk about it, you would think inflation is caused by people getting jobs. Uh, oh, the central bankers are saying, too many Americans have jobs, and so we had better increase the rates of usury to keep inflation under control.

In a country with so many millions of people unemployed and underemployed, it is impossible for people to cause inflation by getting a job. Even if we had 100 percent employment, people getting jobs would cause little if any inflation.

There are, to keep it simple, two kinds of inflation. One is called cost-push inflation and the other is monetary inflation. Politicians and money-lenders would like you to believe that cost-push inflation is the only kind that exists.

Not so. An example of cost-push would be a situation in which there were a great drought in the Midwest followed by a plague of locusts, so that the grain crop would be severely reduced. Because there would be insufficient grain to meet the demand, people would bid up the price in an effort to get what was available. That's cost-push: a rise in prices produced by an increased demand for a commodity or product.

Monetary inflation, however, is when the monetary authorities put so much money into the system that the value of each unit declines. Demand and working people have nothing to do with it. That type of inflation is entirely in the hands of the government and the central bank.

That's really what Mexico's peso crisis is all about. As it always does, the Mexican ruling party turned on the printing presses and greatly boosted the money supply during the election campaign. When this happens, eventually the monetary unit will decline in value.

As the value of the monetary unit declines, people are forced to raise prices just to maintain their same level of income. Because of continued deficits and the profligate

policies of the Federal Reserve, the U.S. dollar has lost its value.

Money is not wealth. What one buys with money is wealth—houses, clothes, tools, services, etc. How much a given unit of money can buy is called purchasing power. Well, the purchasing power of the U.S. dollar, thanks entirely to Congress and the Federal Reserve, has declined so much that, if you made \$10,000 in 1967, you would have to make \$40,000 in 1995 just to be where you were 28 years ago. To put it another way, it takes \$4 today to buy what \$1 would buy in 1967.

But the key point to understand is that this is the fault of Congress, not the fault of the private sector. Back in the 1960s, Congress gave up any effort to maintain a stable money system and indexed—those famous cost-of-living allowances—most federal programs. It did that to take the sting out of inflation, a policy it was consciously pursuing, because it is more politically palatable than bringing the federal budget into balance and reining in the central bank.

But, of course, if you aren't on the federal teat, your income didn't get indexed to inflation. Inflation never affects people uniformly. Some can prosper; some can stay even; and some will fall behind.

What outrages me is to hear bankers and politicians talk about the real misery their inflationary policies have caused while pretending that it is not their fault but someone else's, either greedy consumers spending too much or some unexplained, uncontrollable mysterious "thing."

It's they. It's the 100 senators and the 435 members of the House. It's the Federal Reserve System, which Congress created and which Congress could, if it had the sense and the guts, seriously reform or abolish. They caused the economic misery. Now they are blaming the victims.

BART ROWEN SET THE STANDARDS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 1, 1995

Mr. LaFALCE. Mr. Speaker, On April 13, 1995, the pioneer of modern economic journalism Hobart Rowen, died, leaving a legacy of standards for the profession. International economic issues and events were Mr. Rowen's specialty. Through five decades of dedication and innovation devoted to economic journalism, Mr. Rowen reshaped the standards for the profession by bringing the sometimes arcane issues of international economics to mainstream America. He wrote so that readers could understand and appreciate the importance of economic events and the impact of international economics on their lives. Whether the subject was international trade, monetary policy, or exchange rates, Mr. Rowen's knowledge and journalistic style put him in a league of his own. I most recently spoke to Mr. Rowen in February this year about the Mexican peso crisis. His knowledge, insight, and willingness to question traditional economic assumptions were clearly demonstrated on this issue. Mr. Rowen will be missed, but his legacy to economic journalism has set the standard for years to come.

Mr. Speaker, I am submitting for the RECORD, a copy of Mr. Rowen's obituary that appeared in the Washington Post on April 14.